

HB 1615 -- MINIMUM DIRECTORS FOR INSURANCE ENTITIES

SPONSOR: Allen

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Insurance by a vote of 11 to 0 with 1 member voting present.

Currently, certain classes of insurance entities are required to maintain at least nine directors on their boards including:

- (1) Life, health, and accident insurance stock companies;
- (2) Mutual life insurance companies;
- (3) Property and casualty stock insurance companies;
- (4) Mutual insurance companies; and
- (5) Reorganized insurance companies.

This bill would change the minimum number of directors to five.

PROponents: Supporters say that our current law is higher than most states. We are outside the mainstream which affects our competitiveness in the market. Smaller companies may not enter our market because the number of directors is currently too high for them. This does not require current companies to lower their amount of members, it just makes it more flexible if they want to.

Testifying in person for the bill were Representative Allen; and Missouri Insurance Coalition.

OPponents: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.